

ANNUAL REPORT
FOREIGN POWER SECURITIES
CORPORATION, LIMITED



FOR THE
PERIOD ENDING OCTOBER 31ST
1928

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Head Office:

3RD FLOOR, 410 ST. NICHOLAS STREET
MONTREAL

Foreign Power Securities Corporation, Limited



Annual Report

For the Period Ending October 31st, 1928



OFFICERS

President

A. J. NESBITT, Montreal

Vice-President

JAS. B. WOODYATT, Montreal

Directors

GENERAL R. BRUTINEL.....	Paris
R. DESPRES.....	Paris
P. DURAND.....	Paris
A. J. NESBITT.....	Montreal
P. A. THOMSON.....	Montreal
JOS. VERSAILLES.....	Montreal
JAS. B. WOODYATT.....	Montreal

Secretary

L. C. HASKELL

Treasurer

C. JOHNSTONE

Assistant Secretary

V. J. NIXON

Fiscal Agents

NESBITT, THOMSON & COMPANY, LIMITED

Auditors

PRICE, WATERHOUSE & COMPANY

Foreign Power Securities Corporation, Limited



Montreal, January 14, 1929.

To the Shareholders:

Your Directors are pleased to submit herewith the first Annual Statement of your Company.

As you are aware, in the early part of 1927, your Company was formed and acquired a substantial interest in the securities of l'Energie Industrielle, a public utility Company of France, and indirectly, in all its subsidiaries, as well as directly in two of them: l'Union Hydro-Electrique Armoricaine and the Société Hydro-Electrique du Sud-Est.

Since then, electric development in France has been progressing at an increasing rate, and the possibilities in the rapidly growing electric industry have proven so attractive that your Company has extended its activities and further added to its investment holdings. The expanding territory of l'Energie Industrielle has caused the earnings of this Company to grow proportionately. A subsidiary was formed, the Société Francaise Auxiliaire pour l'Electricité, which is jointly owned by your Company and l'Energie Industrielle. This subsidiary has been in some instances the medium through which interests in other companies have been secured.

A substantial interest was recently acquired in the Gaz de Lyon, a Company supplying both gas and electricity to the city of Lyon and surrounding territory with a population of over a million, and control now rests with l'Energie Industrielle and the Société Francaise Auxiliaire pour l'Electricité. Your Company therefore has a considerable interest in the Gaz de Lyon, both through its holdings in l'Energie Industrielle and its interest in the jointly owned subsidiary. Among the other companies in which large interests are held, are l'Union Hydro-Electrique Armoricaine which owns practically the only large hydro-electric development in North Western France, serving a

wide area in central Brittany; in the Société Hydro-Electrique du Sud-Est, serving the South Eastern part of France, including such cities as Menton, Monte Carlo and other localities on the Côte d'Azur; and in the Société Hydro-Electrique des Basses Pyrénées serving the South Western part of France, including the cities of Bayonne and Biarritz.

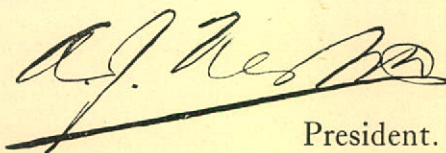
During the past year your Company has secured a large interest in l'Energie Electrique Rhône et Jura, which is controlled by the Schneider group, owners of the large steel and armament works at Creusot. This hydro-electric Company has important hydro-electric installations on the Rhône and is now in process of developing other water powers in the same area.

Substantial interests have also been acquired in the Société Hydro-Electrique du Verdon which is undertaking an important hydro-electric development in the Southern part of France.

The securities held by your Company are now quoted on the Paris Bourse at prices considerably in excess of their purchase; as an example, the shares of l'Energie Industrielle which were originally purchased at 150 Francs, are selling at over 500 Francs.

France is internationally viewed as having entered upon a new era of prosperity and is rapidly developing her natural resources, among the richest of which is water power. Much has been accomplished along these lines during the past year and a greater development is forecast for the near future. It is fully expected that Foreign Power Securities Corporation, through its interests in well located power companies, will participate in this growth. Your Directors feel that the future outlook is very bright.

Respectfully submitted on behalf of the Board,

A handwritten signature in dark ink, appearing to read "A.J. Nesbitt", with a long horizontal flourish extending to the right.

President.

FOREIGN POWER SECURITIES

Balance Sheet as at

ASSETS

Investments, at Cost.....	\$8,172,333.38
Cash.....	23,866.24
Accrued Interest.....	48,584.39
Taxes Paid in Advance.....	2,686.64
Incorporation Expenses.....	8,899.68

Approved on behalf of the Board: A. J. NESBITT }
JAS. B. WOODYATT } Directors.

\$8,256,370.33

S CORPORATION, LIMITED

October 31st, 1928

LIABILITIES

TO THE PUBLIC:

Bank Loan, Secured.....	\$369,650.00	
Preferred Dividend, payable November 15th, 1928.....	75,000.00	
Accounts Payable.....	4,182.44	
		\$448,832.44

TO THE SHAREHOLDERS:

Preferred Stock:

Authorized—50,000 Shares of \$100.00 each.	\$5,000,000.00	
Issued —50,000 Shares of \$100.00 each.		5,000,000.00

Common Stock:

Authorized—250,000 Shares of No Par Value.....		
Issued —125,000 Shares of No Par Value.....	2,660,000.00	

Profit & Loss:

Balance, subject to deduction for Income Tax.....	147,537.89	
		7,807,537.89
		\$8,256,370.33

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have examined the books and accounts of Foreign Power Securities Corporation, Limited, for the period from the commencement of its operations in May 1927 to October 31st, 1928, and have received all the information and explanations we have required. We have verified the securities by inspection or by certificates from the depositaries, and we certify that the above Balance Sheet at October 31st, 1928, in our opinion, shows the true financial position of Foreign Power Securities Corporation, Limited, at that date, according to the best of our information and the explanations given to us, and as shown by the books of the Corporation.

MONTREAL, December 6th, 1928.

(Signed) PRICE, WATERHOUSE & Co.,
Auditors.

Foreign Power Securities Corporation, Limited



Statement of Earnings

Profit and Loss from the Commencement of Operations
in May, 1927 to October 31st, 1928



Revenue from Investments	\$341,039.70
Profits from Investments realized	122,820.77
	463,860.47
DEDUCT:	
Interest on Loans	\$9,073.48
General Expenses	15,745.76
Taxes	4,723.70
	29,542.94
Net Earnings for period before providing for Income Tax	\$434,317.53
DEDUCT: Preferred Dividends	286,779.64
Balance, subject to deduction of Income Tax	<u>\$147,537.89</u>

CARTE DE FRANCE

CENTRALES RÉSEAUX DE DISTRIBUTION LIGNES DE TRANSPORT

DRESSÉE PAR LA
SOCIÉTÉ FINANCIÈRE ÉLECTRIQUE
CAPITAL : 85.000.000 FR.
39, AVENUE DE FRIEDLAND - PARIS (8^e)

ÉCHELLE : 1 : 225.000
0 10 20 30 40 50 60 70 80 90 100 KM.

4^e ÉDITION
10 JANVIER 1929

FOREIGN POWER SECURITIES CORPORATION LTD.

■ Power Houses of Companies in which Foreign Power Securities Corporation Limited, has a substantial interest.—

==== Power Lines of Companies in which Foreign Power Securities Corporation Limited, has a substantial interest.—

Area served by Companies in which Foreign Power Securities Corporation Limited, has a substantial interest.—

1929

LÉGENDE

- Centrales Thermiques construites
- Centrales Thermiques en construction
- Centrales Hydrauliques construites
- Centrales Hydrauliques en construction
- Centrales Hydrauliques en projet
- Centrales Mixtes
- Centrales alimentant par priorité une industrie locale
- Postes de transformation ou de coupure
- Lignes de 30.000 Volts et au-dessus
- Lignes de 55.000 Volts et au-dessus
- Lignes de 100.000 Volts et au-dessus
- Lignes en construction - Lignes en projet

ABRÉVIATIONS

- C.G.E. Compagnie Générale d'Électricité
- C.P.D.E. Compagnie Parialemente de Distribution d'Électricité
- E.E.O.F. Énergie Électrique de l'Ouest de la France
- P.T.D.E. Production, Transport et Distribution d'Énergie
- S.A.L.E.C. Société Alsacienne et Lorraine d'Électricité
- S.E.R.D. Société d'Électricité de la Région de Dunkerque
- S.E.R.V.A. Société d'Électricité de la Région Valencienne-Anzin
- S.H.E.D. Société Hydro-Électrique de la Diège
- S.T.E.D.A. Société de Transport d'Énergie des Alpes
- S.U.N.E. Société des Usines à Gaz du Nord et de l'Est
- U.D.E. Union d'Électricité
- U.P.E.P.O. Union des Producteurs d'Électricité des Pyrénées Occidentales

NOTA : Les cinq formats des Centrales, ainsi que les cinq dimensions des titres de Sociétés correspondant aux importances relatives (graphes).

THÉRIQUES	HYDRAULIQUES	SOCIÉTÉS
Moins de 5.000 Kwh	Moins de 2.000 Kwh	De 1 à 5 millions
De 5.000 à 10.000 Kwh	De 2.000 à 5.000 Kwh	De 5 à 24 millions
De 10.000 à 25.000 Kwh	De 5.000 à 10.000 Kwh	De 25 à 49 millions
De 25.000 à 50.000 Kwh	De 10.000 à 20.000 Kwh	De 50 à 99 millions
Plus de 50.000 Kwh	Plus de 20.000 Kwh	100 millions et au-dessus

Les puissances des Centrales sont, en principe, celles indiquées par les Statistiques mises à jour au 1^{er} Janvier 1927 du Service des Distributions d'Énergie, au Ministère des Travaux Publics.

